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FM AMEMBASSY ABUJA
TO RUEHC/SECSTATE WASHDC 6158
INFO RUEHZK/ECOWAS COLLECTIVE
RUEHYD/AMEMBASSY YAOUNDE 0887
RUEHSA/AMEMBASSY PRETORIA 1930
RUEHGB/AMEMBASSY BAGHDAD 0335
RUCPDO/DEPT OF COMMERCE WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
RHEBAAA/DEPT OF ENERGY WASHDC
RUEHC/DEPT OF LABOR WASHDC
RUEHRC/DEPT OF AGRICULTURE WASHDC
RUEAIIA/CIA WASHDC
RUEKDIA/DIA WASHDC
RHMFISS/HQ USAFRICOM STUTTGART GE
RUZEJAA/JAC MOLESWORTH RAF MOLESWORTH UK

UNCLAS SECTION 01 OF 02 ABUJA 000950

SENSITIVE
SIPDIS

DEPARTMENT PASS TO USTR-AGAMA
BAGHDAD FOR DMCCULLOUGH
DOE FOR GPERSON, CHAYLOCK
LABOR FOR SHALEY
USDA/FAS/OTP FOR MCKENZIE
DEPARTMENT PASS TO USAID
USAID/AFR FOR ATWOOD

E.O. 12958: N/A

TAGS: [PGOV](#) [ECON](#) [ELAB](#) [EPET](#) [EFIN](#) [NI](#)

SUBJECT: NIGERIA: BI-WEEKLY POL/ECON UPDATES FOR MAY 1-15, 2009

Ref: Abuja 00820

ABUJA 00000950 001.2 OF 002

¶1. (U) The following is a joint Embassy Abuja, ConGen Lagos compilation of May 1-15 political/economic highlights, which did not feature in our other reporting, covering:

--Economics
--Politics
--Environment and Health
--Oil, Gas, and Power

Economics

¶2. (U) U.S. PARTICIPATES IN AN INTERNATIONAL SYMPOSIUM ON NATURAL PRODUCTS DRUG DISCOVERY: The Nigerian National Institute for Pharmaceutical Research and Development (NIPRD) in collaboration with the U.S. National Institute of Allergy and Infectious Diseases (NIAID) held a three day workshop (May 12-14) under the theme: "Research Continuum in Natural Products Drug Discovery." Scientists and policy makers from Nigeria, the United States, the United Kingdom, South Africa and other African countries participated and exchanged research experience and discussed means for enhanced collaborations to find cure for malaria, tuberculosis, and other diseases that burden Nigeria and other African countries. In remarks she gave at the opening of the symposium, the Ambassador praised the cooperation between U.S. and Nigerian scientists and expressed her hope that this joint effort will result in better therapeutic products. Nigerian Minister of Health Babatunde Osotimehin thanked the U.S. for enhancing the capacity of NIPRD in the area of biomedical research. He also praised overall U.S. health assistance as responsible for saving millions of lives in Nigeria. The symposium concluded with a set of recommendations for enhancing research collaborations, creating a central research database system, and strengthening drug safety and bioethics standards.

13. (U) U.S. TO PARTNER WITH NIGERIA ON ICT DEVELOPMENT: The Foreign Commercial Service hosted CTO 2009, a four day technology seminar and tradeshow in Lagos May 11-15. The Ambassador, speaking at the opening of the seminar, said the US stood ready to contribute further to the development of the information technology (IT) in Nigeria. The Chief Executive Officer of Nigerian Communications Commission (NCC) Ernest Ndukwe said that the GON had helped boost the sector since 2003. Thirty companies participated in this year's trade show, down slightly from last year.

14. (U) NIGERIA, CAMEROON SIGN \$155.29 MILLION LOAN AGREEMENT: On May 14, Nigeria and Cameroon signed a \$155.29 million (225 billion naira) loan agreement for a multi-national highway and transport facility project between the two countries. The objective of the loan project is to facilitate proposed Lagos-Mombasa-Trans-African Highway infrastructure development for the continent. Other projects include rehabilitation and construction of social and market infrastructure such as feeder roads, market sheds, building agricultural facilities, and rehabilitation of school infrastructure.

15. (U) YAR'ADUA SEEKS REVIEW OF THE 2009 BUDGET: On May 14, President Yar'Adua sent a letter to the House of Representatives expressing concerns over the Government's ability to successfully implement the 2009 budget, and seeking a budget review. In the letter, Yar'Adua stated that the 2009 budget faces a major challenge due to declining revenues. The House Committees on Finance and Appropriation said it will investigate the implementation of the 2009 budget.

Politics

16. (U) FULANI DEPORTATIONS: In an interview with the Daily Trust on ABUJA 00000950 002.2 OF 002

May 11, Representative Ahmed Idris (Action Congress - Plateau State), who raised a motion expressing concern over Plateau State's recent "deportation" of Fulani herdsman from Wase Local Government Area, said that the State's claim that the deportations were carried out for security reasons is "completely false" and said that he thought that the state was carrying out "ethnic cleansing" or trying "to thwart the growth of my constituency" (reftel). Idris claims that the deportations, which separated several families, violate Sections 41(1) and 43(1) of the 1999 constitution. He is demanding that the individuals who were deported be returned. On Tuesday May 12, the Daily Trust reported that Abubakar Badu, the Chairman of the Wase Local Government Area, was held hostage in his office for ten hours by local government staff who demanded that he pay them two months' delinquent salary, and accused him of using their salaries to evacuate Fulanis from Wase.

17. (U) FACTIONS IN THE CNPP: According to the Vanguard newspaper, Balarabe Musa, former governor of Kaduna State, was removed as the Chairman of Conference of Nigerian Political Parties (CNPP) and replaced with the National Chairman of the Citizen's Popular Party (CPP), Maxi Okwu. Okwu was the Secretary-General of the CNPP when it was founded in 2002. Musa claimed that the decision to remove him as chairman was decided by a faction of the party and that another faction is still under his leadership.

Environment and Health

18. (SBU) KANO, PFIZER AGREE ON \$75M COMPENSATION: Kano State government and Pfizer Pharmaceutical Company reached a \$75 million out-of-court settlement over the 1996 Trovan test in the state. About \$35 million would go to victims, \$30 million to the state government and \$10 million to lawyers. Kano Governor Ibrahim Shekarau disclosed that full payment might not be made until 2011, as Pfizer agreed to build a hospital as part of the agreement. Pfizer Country Manager Enrico Liggeri told visiting Nigeria Desk Officer and Lagos EconOff on May 15 that, while the two sides had agreed on the compensation amount, they had yet to develop a transparent system to distribute the funds to the victims. Liggeri said the number of supposed victims that have stepped forward is

more than ten times the number that participated in the study and expressed concerns that politicians seeking reelection in 2011 would divert the funds. To compensate, Pfizer is now looking for a reputable NGO to assist with distribution.

Oil and Gas

19. (SBU) PLANS FOR GAS EXPLORATION IN ANAMBRA STATE: Igwe Nnaemeka Achebe, a traditional ruler in Onitsha, Anambra State told Energyoff that Afren Energy and an unnamed local partner plan to explore for non-associated natural gas in the Anambra Basin. Achebe said Afren's plans are to develop the gas for power generation and industrial use in the Anambra-Imo region. He also said the Anambra State government is trying to follow the lead of Lagos State and increase internally generated revenue for taxes instead of relying on funds from the Federal Government. Achebe is a retired external affairs executive for Shell Nigeria and Shell International. He is traveling to NYC to participate as a witness in an ongoing lawsuit that accuses Shell of complicity in the arrest and execution of Ogoni writer and activist Ken Saro Wiwa by the military government in 1995.

SANDERS